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August 10, 2004

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station  
Boston, MA 02110

Re: Boston Edison Company d/b/a NSTAR Electric, D.T.E. 03-117

Dear Secretary Cottrell:

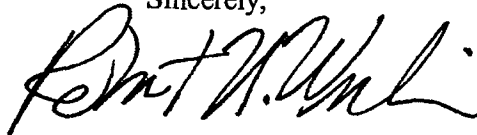
Enclosed for filing are: (1) the Joint Motion for Approval of Settlement Agreement; and (2) the Settlement Agreement entered into by Boston Edison Company (the "Company") and the Attorney General (the "Settling Parties") in the above-referenced matter. Also enclosed is a Certificate of Service.

The Settlement Agreement is intended to resolve all issues in this case relating to the Company's reconciliation of costs and revenues for the year 2003. As described in the Settlement Agreement, it shall be deemed withdrawn if not approved in its entirety by the Department by September 9, 2004.

If the Department has any questions regarding the terms of the Settlement Agreement or wishes additional information, please contact Joseph Rogers or Judith Laster, Assistant Attorneys General or me.

Thank you for your attention to this matter.

Sincerely,



Robert N. Werlin

Enclosures

cc: William H. Stevens, Hearing Officer  
Service List

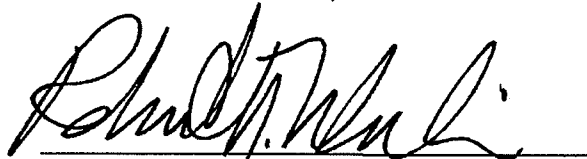
**COMMONWEALTH OF MASSACHUSETTS**  
**DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

\_\_\_\_\_  
Boston Edison Company d/b/a NSTAR Electric  
\_\_\_\_\_

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)  
)  
D.T.E. 03-117

**CERTIFICATE OF SERVICE**

I certify that I have this day served the foregoing document upon the Department of Telecommunications and parties of record in accordance with the requirements of 220 C.M.R. 1.05 (Department's Rules of Practice and Procedures).



Robert N. Werlin, Esq.  
Keegan, Werlin & Pabian, LLP  
265 Franklin Street  
Boston, Massachusetts 02110  
(617) 951-1400

Dated: August 10, 2004

**COMMONWEALTH OF MASSACHUSETTS**

**DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

\_\_\_\_\_  
Boston Edison Company d/b/a NSTAR Electric )  
\_\_\_\_\_) )

D.T.E. 03-117

**JOINT MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT**

Boston Edison Company d/b/a NSTAR Electric (the "Company") and the Attorney General of Massachusetts (the "Attorney General") (collectively, the "Settling Parties") jointly move, pursuant to 220 C.M.R. § 1.04(5), for Department of Telecommunications and Energy (the "Department") approval of the Settlement Agreement (the "Settlement Agreement") filed herewith. In addition, the Settling Parties move the Department to enter into evidence the exhibits filed in this proceeding and listed on Appendix A of the Settlement Agreement. The Settlement Agreement seeks to resolve issues relating to the reconciliation of costs and revenues in conjunction with the Company's 2003 reconciliation filing.

This Settlement Agreement is conditioned on approval in its entirety by the Department and on the further condition that, if the Department does not approve the Settlement Agreement in its entirety by September 9, 2004, it shall be deemed withdrawn.

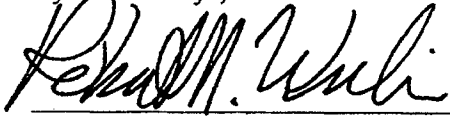
**WHEREFORE**, the Settling Parties request that the Department grant this Joint Motion for Approval of Settlement Agreement and enter into evidence the exhibits listed in Appendix A of the Settlement Agreement on or before September 9, 2004.

Respectfully Submitted,

**BOSTON EDISON COMPANY**  
d/b/a NSTAR Electric

**ATTORNEY GENERAL OF  
MASSACHUSETTS**

By its attorneys,



Robert N. Werlin  
David S. Rosenzweig  
Keegan, Werlin & Pabian, LLP  
265 Franklin Street  
Boston, MA 02110



Joseph Rogers  
Judith Laster  
Assistant Attorneys General  
Regulated Industries Division  
Office of the Attorney General  
One Ashburton Place  
Boston, MA 02108

Dated: August 10, 2004

**APPENDIX A**

**D.T.E. 03-117  
Boston Edison Company  
2003 Reconciliation  
Exhibit List**

<b><u>Prefiled Testimony and Exhibits</u></b>	<b><u>Description</u></b>
Exhibit BEC-JFL	➤ Testimony of Joseph F. Lanzel
Exhibit BEC-JFL (Supp)	➤ Supplemental Direct Testimony of Joseph F. Lanzel
Exhibit BEC-JFL-1	➤ Boston Edison Company Transition Charge Calculation
Exhibit BEC-JFL-1 (Supp)	➤ Boston Edison Company Transition Charge Calculation
Exhibit BEC-JFL-2	➤ Boston Edison Company Revenue Credits & Damages, Costs, or Net Recoveries from Claims
Exhibit BEC-JFL-2 (Supp)	➤ Boston Edison Company Revenue Credits & Damages, Costs, or Net Recoveries from Claims
Exhibit BEC-JFL-3	➤ Boston Edison Company Transmission Rate
Exhibit BEC-JFL-3 (Supp)	➤ Boston Edison Company Transmission Rate
Exhibit BEC- JFL-4	➤ Boston Edison Company Standard Offer Service Reconciliation for 2003
Exhibit BEC- JFL-4 (Supp)	➤ Boston Edison Company Standard Offer Service Reconciliation for 2003
Exhibit BEC- JFL-5	➤ Boston Edison Company Default Service Reconciliation for 2003
Exhibit BEC- JFL-5(Supp)	➤ Boston Edison Company Default Service Reconciliation for 2003
Exhibit BEC- JFL-6	➤ Boston Edison Company Standard Offer Service Reconciliation for 2004
Exhibit BEC- JFL-6 (Supp)	➤ Boston Edison Company Standard Offer Service Reconciliation for 2004
Exhibit BEC- JFL-7	➤ Boston Edison Company Default Service Reconciliation for 2004
Exhibit BEC- JFL-7(Supp)	➤ Boston Edison Company Default Service Reconciliation for 2004
Exhibit NSTAR-HCL	➤ Testimony of Henry C. LaMontagne
Exhibit BEC-HCL-1	➤ Boston Edison Company Proposed Tariffs – Redlined

**D.T.E. 03-117**  
**Boston Edison Company**  
**2003 Reconciliation**  
**Exhibit List**

**Prefiled Testimony and Exhibits**

**Description**

Exhibit BEC-HCL-2	➤ Boston Edison Company Summary of Revenues by Rate Schedule
Exhibit BEC-HCL-3	➤ Boston Edison Company Pricing Models and Revenue Proofs
Exhibit BEC-HCL-4	➤ Boston Edison Company Percentage Rate Reductions/Rate Comparisons
Exhibit BEC-HCL-5	➤ Boston Edison Company Summary of Unbundled Rate Components
Exhibit BEC-HCL-6	➤ Boston Edison Company Transition Rate Adjustments
Exhibit BEC-HCL-7	➤ Boston Edison Company Derivation of the Inflation Factor
Exhibit BEC-HCL-8	➤ Boston Edison Company Typical Bill Calculations

**Response to Information Requests**

DTE-1-1	DTE-2-17	AG-1-7
DTE-1-1 (Errata)	DTE-2-18	AG-1-8
DTE-1-2	DTE-2-19	AG-1-9
DTE-1-3	DTE-2-20	AG-1-10
DTE-1-4	DTE-2-21	AG-1-11
DTE-2-1	DTE-2-22	AG-2-1
DTE-2-2	DTE-2-23	AG-2-2
DTE-2-3	DTE-2-24	AG-2-3
DTE-2-4	DTE-2-25	AG-2-4
DTE-2-5	DTE-2-26	AG-2-5
DTE-2-6	DTE-2-27	AG-2-6
DTE-2-7	DTE-2-28	AG-2-7
DTE-2-8	DTE-2-29	AG-2-8
DTE-2-9	DTE-2-30	AG-2-9
DTE-2-10	DTE-2-31	AG-2-10
DTE-2-11	DTE-2-32	AG-2-11
DTE-2-12	DTE-2-33	AG-2-12
DTE-2-11	AG-1-1	AG-2-13
DTE-2-12	AG-1-2	AG-2-14
DTE-2-13	AG-1-3	AG-2-15
DTE-2-14	AG-1-4	
DTE-2-15	AG-1-5	
DTE-2-16	AG-1-6	

**D.T.E. 03-117**  
**Boston Edison Company**  
**2003 Reconciliation**  
**Exhibit List**

**Settlement Exhibits**

Exhibit BEC-JFL-1 (Settlement)

Exhibit BEC-JFL-2 (Settlement)

**COMMONWEALTH OF MASSACHUSETTS**  
**DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

\_\_\_\_\_  
Boston Edison Company d/b/a NSTAR Electric )  
\_\_\_\_\_) )  
\_\_\_\_\_)

D.T.E. 03-117

**SETTLEMENT AGREEMENT**

Boston Edison Company d/b/a NSTAR Electric (the "Company") and the Attorney General of Massachusetts (the "Attorney General") (collectively, the "Settling Parties") agree, subject to approval by the Department of Telecommunications and Energy (the "Department"), to resolve certain issues relating to this proceeding.

**ARTICLE 1**

**INTRODUCTION**

- 1.1 On July 8, 1997, the Attorney General, the Company and other interested parties submitted a restructuring settlement agreement (the "Restructuring Settlement") for approval by the Department. After the enactment of the Electric Restructuring Act, Chapter 164 of the Acts of 1997, on January 28, 1998, the Department determined that the Restructuring Settlement is consistent with or substantially complies with the provisions of the Restructuring Act. Boston Edison Company, D.P.U./D.T.E. 96-23 (1998).
- 1.2 On December 1, 2003, the Company filed its sixth reconciliation filing with the Department, pursuant to the Restructuring Settlement (the "Filing"). The Filing also included tariffs seeking Department approval of charges for Standard Offer



Service, Default Service, Transmission Service, Demand Side Management, Renewables and Distribution Service for effect January 1, 2004.

- 1.3 On March 1, 2004, the Company filed supplemental testimony and exhibits to update the Filing to reflect actual data through December 31, 2003.
- 1.4 On various dates, the Company filed responses to information requests issued by the Department concerning the Company's Filing and related updates to the Filing. A listing of all exhibits filed in this proceeding, including all responses to information requests, is attached as Appendix A.
- 1.5 This Settlement Agreement is intended to resolve all issues relating to the reconciliation of costs and revenues for the calendar year 2003 as follows:

## **ARTICLE 2**

### **TERMS OF AGREEMENT**

- 2.1 The Settling Parties agree that the amount of the reconciliation of revenues and costs for the year 2003 shall be as set forth in the exhibits filed by the Company on December 1, 2003 as supplemented on March 1, 2004, and as further adjusted by the following settlement exhibits: Exhibit BEC-JFL-1 (Settlement) and Exhibit BEC-JFL-2 (Settlement), attached and incorporated by reference in this Settlement Agreement.
- 2.2 Exhibit BEC-JFL-2 (Settlement) and Exhibit BEC-JFL-1 (Settlement) differ from Exhibit BEC-JFL-2 (Supp) and Exhibit BEC-JFL-1 (Supp), filed on March 1, 2004, as follows:

- (a) the Payments in Lieu of Property Taxes for 2003 set forth on Exhibit BEC-JFL-2 (Settlement) page 2, Column E, is reduced by \$4.68

million to reflect the actual payment in lieu of property tax amount per agreement with the Town of Plymouth for calendar year 2003. This adjustment flows through to Exhibit BEC-JFL-2 (Settlement) page 1, Column A, Exhibit BEC-JFL-1 (Settlement) page 4, Column I and Exhibit BEC-JFL-1 (Settlement) page 1, Column F.

- (b) the DOE Spend Nuclear Fuel Litigation Expenses set forth on Exhibit BEC-JFL-2 (Settlement) page 7, includes a notation that \$45,000 of the Pilgrim Contract Customer Share is being deferred and is subject to collection as a transition cost in the event Boston Edison does not receive compensation from the Department of Energy. This notation is in recognition of the fact that National Grid may not pay that share because the wholesale contract with Montaup Electric Company does not require the payment of litigation expenses until and unless Boston Edison receives compensation from the Department of Energy. If there is recovery from the Department of Energy, the amount payable to National Grid will be reduced by that share of the litigation costs.

### **ARTICLE 3**

#### **CONDITIONS**

- 3.1 This Settlement Agreement shall not be deemed in any respect to constitute an admission by any party that any allegation or contention in this proceeding is true or false. Except as specified in this Settlement Agreement, the entry of an order by the Department approving the Settlement Agreement shall not in any respect

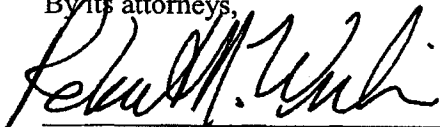
constitute a determination by the Department as to the merits of any other issue raised in this proceeding.

- 3.2 The making of this Settlement Agreement establishes no principles and shall not be deemed to foreclose any party from making any contention in any future proceeding or investigation, except as to those issues and proceedings that are stated in this Settlement Agreement as being resolved and terminated by approval of this Settlement Agreement.
- 3.3 This Settlement Agreement is the product of settlement negotiations. The Settling Parties agree that the content of those negotiations (including any workpapers or documents produced in connection with the negotiations) are confidential, that all offers of settlement are without prejudice to the position of any party or participant presenting such offer or participating in such discussion, and that they will not use the content of those negotiations in any manner in these or other proceedings involving one or more of the parties to this Settlement Agreement, or otherwise.
- 3.4 The provisions of this Settlement Agreement are not severable. This Settlement Agreement is conditioned on its approval in full by the Department.
- 3.5 If the Department does not approve the Settlement Agreement in its entirety by September 9, 2004, it shall be deemed to be withdrawn and shall not constitute a part of the record in any proceeding or used for any other purpose.
- 3.6 The Department shall have continuing jurisdiction to enforce the terms of this Settlement Agreement.

The signatories listed below represent that they are authorized on behalf of their principals to enter into this Settlement Agreement.

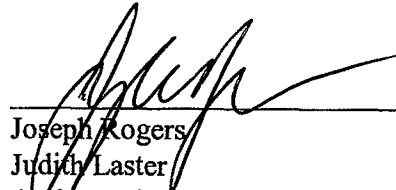
**BOSTON EDISON COMPANY**  
**d/b/a NSTAR Electric**

By its attorneys,



Robert N. Werlin  
David S. Rosenzweig  
Keegan, Werlin & Pabian, LLP  
265 Franklin Street  
Boston, MA 02110

**ATTORNEY GENERAL OF**  
**MASSACHUSETTS**



Joseph Rogers  
Judith Laster  
Assistant Attorneys General  
Regulated Industries Division  
Office of the Attorney General  
One Ashburton Place  
Boston, MA 02108

Dated: August 10, 2004

Boston Edison Company  
Transition Charge Calculation  
\$ in Millions

Year	GWH Delivered	Transition Charge	Revenues for Delivered GWH	Fixed Component	Total Variable Component	Mitigation Incentive	Prior Year Deferral	Interest on Deferral	Expenses	(Over) Under Collection
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K
2002	15,107	1,788	270,115	\$ 100.707	\$ 177,397	\$ 10,644	\$ (41,439)	\$ (4,509)	\$ 242,801	\$ (41,439)
2003	15,210	1,870	284,420	96,719	233,411	8,375	(27,314)	(2,972)	308,219	23,798
2004	15,514	2,230	345,949	91,872	224,034	3,655	23,798	2,589	345,949	-
2005	15,824	1,993	315,444	87,222	223,341	4,881	-	-	315,444	-
2006	16,141	1,930	311,557	82,339	224,933	4,285	-	-	311,557	-
2007	16,463	1,622	267,056	77,756	184,045	5,255	-	-	267,056	-
2008	16,793	1,562	262,352	72,833	186,509	3,010	-	-	262,352	-
2009	17,129	1,230	210,610	15,174	195,436	-	-	-	210,610	-
2010	17,471	0,985	172,044	-	172,044	-	-	-	172,044	-
2011	17,821	0,577	102,808	-	102,808	-	-	-	102,808	-
2012	18,177	0,558	101,491	-	101,491	-	-	-	101,491	-
2013	18,540	0,325	60,206	-	60,206	-	-	-	60,206	-
2014	18,911	0,362	68,471	-	68,471	-	-	-	68,471	-
2015	19,290	0,307	59,280	-	59,280	-	-	-	59,280	-
2016				-		-	-	-		-

Col B 2003 per Page 2; Forecast 2004 sales; years beyond 2004 reflect 2% growth  
Col C 2003 per Page 2; 2004 reflects actual tariff in effect; 2005 and later: Col J / Col B  
Col D 2003 per Page 2; 2004 Col B \* Col C / 100; future years equal to Col J

Col E Exh BEC-JFL-1 (Supp); Pg 3; Col E

Col F Exh BEC-JFL-1 (Supp); Pg 4; Col M

Col G Exh BEC-JFL-1 (Supp); Pg 5; Col E

Col H Col. K prior year

Col I Col. H times 10.88%

Col J Sum Col E thru Col I

Col K Col J - Col D

Boston Edison Company  
Actual 2003 Transition Revenues  
\$ in Millions

Line	Description	GWH	A/C #	Per Book \$	Total
1	2003 Transition Billed Revenues:				
2	Residential Transition	4,254.664	440 160	\$ 76.286	
3	Industrial Transition	1,326.347	442 430	24.029	
4	Commercial Transition (includes WR rate and Special Contracts)	9,332.556	442 440/500	165.513	
5	Street Light Transition	145.623	444 060	2.659	
6	Total Billed Revenues	15,059.190			\$ 268.487
7	2003 Transition Unbilled Revenues:				
8	Less: Residential Transition Unbilled @ 12/31/02	(119.482)			
9	Plus: Residential Transition Unbilled @ 12/31/03	142.891	440 162	\$ 0.722	
10	Less: Industrial Transition Unbilled @ 12/31/02	(65.129)			
11	Plus: Industrial Transition Unbilled @ 12/31/03	49.270	442 435	(0.131)	
12	Less: Commercial Transition Unbilled @ 12/31/02	(283.945)			
13	Plus: Commercial Transition Unbilled @ 12/31/03	323.822	442 505	1.037	
14	Total Unbilled Revenues	47.427			\$ 1.628
15	Total 2003 Transition Revenues	15,106.617	1.788		\$ 270.115

Boston Edison Company  
Summary of Transition Charge - Fixed Component  
\$ in Millions

Year	Securitization		Amort.		Interest & Expense		Total
	Col. A	Col. B	Col. C	Col. D	Col. E	(Col. C + Col. D)	
2003		425.378	68.188		32.519		100.707
2004		356.666	68.712		28.007		96.719
2005		288.206	68.460		23.412		91.872
2006		219.664	68.542		18.680		87.222
2007		151.268	68.396		13.943		82.339
2008		82.660	68.608		9.148		77.756
2009		14.159	68.501		4.332		72.833
2010		-	14.159		1.016		15.174

Boston Edison Company  
Summary of Transition Charge - Variable Component  
\$ in Millions

Year	Actual Nuclear Decomm.	Actual Power Obligations	Actual Power Contracts Market Value	Actual Power Net Obligation	Actual Transmission in Support of Remote Generating Units	Actual Purchased Power Contract Buyouts	Future Use	Revenue Credits & Damages, Costs, or net Recoveries	Other	Rate Design Adjustment	Reversal of Prior Year Rate Design Adjustment	Actual Total Variable Component
	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	Col. M
2003	-	350.985	209,216	141,769	-	-	-	39,478	-	(4,390)	0.539	177,397
2004	-	388.613	182,979	205,634	-	-	-	28,074	-	(4,687)	4,390	233,411
2005	-	300.288	124,055	176,233	-	-	-	43,114	-	-	4,687	224,034
2006	-	304,922	125,951	178,971	-	-	-	44,370	-	-	-	223,341
2007	-	305,779	120,926	184,853	-	-	-	40,080	-	-	-	224,933
2008	-	307,188	123,923	183,265	-	-	-	0,780	-	-	-	184,045
2009	-	312,981	127,252	185,729	-	-	-	0,780	-	-	-	186,509
2010	-	326,555	131,899	194,656	-	-	-	0,780	-	-	-	195,436
2011	-	273,098	101,833	171,264	-	-	-	0,390	-	-	-	172,044
2012	-	169,987	67,569	102,418	-	-	-	-	-	-	-	102,808
2013	-	170,844	69,353	101,491	-	-	-	-	-	-	-	101,491
2014	-	108,623	48,417	60,206	-	-	-	-	-	-	-	60,206
2015	-	118,075	49,603	68,471	-	-	-	-	-	-	-	68,471
2016	-	97,854	38,574	59,280	-	-	-	-	-	-	-	59,280

Description

2003 D.T.E. 03-117 BEC-JFL-4 (Settlement), p.3, line 15; 2004 BEC-JFL-6 (Settlement), p.3, line 14  
2003 D.T.E. 03-117 BEC-JFL-4 (Settlement), p.2, line 15; 2004 BEC-JFL-6 (Settlement), p.2, line 15

Col C - Col D

No Current Buyouts

per Exhibit BEC-JFL-2 (Settlement)

per Exhibit BEC-HCL-6

Reversal of Prior Year Col. K

Col B + Col E + Col F + Col G + Col H + Col I + Col J + Col K + Col L

Note

Col. C

Col. D

Col. E

Col. G

Col. I

Col. K

Col. L

Col. M



Boston Edison Company  
Summary of Transition Charge - Incentive  
\$ in Millions

Year	Col. A	Base Transition Charge (cents/kWh)	Col. B	Cumulative Rolling Average Transition Charge (cents/kWh)	Col. C	Cumulative Bonus Allowed	Col. D	Nominal Annual Incremental Bonus Required	Col. E	Impact on Transition Charge	Col. F
2003		1.788		2.04		58.187		10.644		0.07	
2004		1.870		2.01		63.538		8.375		0.06	
2005		2.230		2.04		65.728		3.655		0.02	
2006		1.993		2.04		68.471		4.881		0.03	
2007		1.930		2.03		70.730		4.285		0.03	
2008		1.622		1.99		73.329		5.255		0.03	
2009		1.562		1.95		74.725		3.010		0.02	

Legend:

Col. B Exn. BEC-JFL-1 (Settlement) Page 1 Col. C  
Col. C Cumulative average of current & prior years shown in Col. B  
Col. D For any given year based upon cumulative average  
transition charge, interpolate bonus from the table below:  
Col. E (Col. D current year - Col. D prior year) \* (1 + WACC AT) ^ n,  
where n = number of years since 1998 +1, and WACC AT is  
the weighted cost of capital after-tax equal to 6.61%  
Col. F Col. E / Current year GWH sales, Page 1 Col. B

Assumptions:

1998 \$ NPV Cumulative Bonus/(Penalty)

Rolling Average Access Charge

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1.00 \$	21	38	52	63	72	80	85	90	93	96	97	98
1.20	20	36	49	60	68	76	81	86	89	91	92	93
1.40	19	34	47	57	65	72	77	81	84	86	88	88
1.60	18	32	44	53	61	68	73	77	79	81	83	83
1.80	17	31	41	50	58	64	68	72	75	77	78	78
2.00	16	29	39	47	54	60	64	68	70	72	73	74
2.20	14	25	34	41	47	52	56	59	61	62	63	64
2.40	12	21	29	35	40	44	47	50	51	53	54	54
2.60	10	17	23	28	33	36	39	41	42	43	44	44
2.80	8	13	18	22	25	28	30	32	33	34	34	34
3.00	5	10	13	16	18	20	22	23	24	24	25	25
3.20	3	6	8	10	11	12	13	14	14	15	15	15
3.40	1	2	3	3	4	4	4	5	5	5	5	5
3.50	0	0	0	0	0	0	0	0	0	0	0	0

**Boston Edison Company**  
**Revenue Credits & Damages, Costs, or Net Recoveries from Claims**  
**\$ in Millions**

Year	Payment in Lieu of Property Tax	Claims and Recoveries	Sales of Property	Wholesale Revenue Credit	Securitization True-Up	Other	Total
	Col A	Col B	Col C	Col D	Col E	Col F	Col G
2003	10.136	(1.476)	(0.991)	31.694	(0.201)	0.317	39.478
2004	10.140	(1.326)	(14.252)	32.512	1.000	-	28.074
2005	9.750	-	-	33.364	-	-	43.114
2006	8.970	-	-	35.400	-	-	44.370
2007	4.680	-	-	35.400	-	-	40.080
2008	0.780	-	-	-	-	-	0.780
2009	0.780	-	-	-	-	-	0.780
2010	0.780	-	-	-	-	-	0.780
2011	0.780	-	-	-	-	-	0.780
2012	0.390	-	-	-	-	-	0.390

Notes: Col A per Page 2  
Col B per Page 3  
Col C per Page 4  
Col D per Page 5  
Col E per Page 6  
Col F per Page 7  
Col G = Sum of Columns A thru F

**Boston Edison Company**  
**Payments in Lieu of Property Taxes**  
**\$ in Millions**

Year	Actual/Required Payment to Town	Entergy Direct Payments	Net BECo Payments	Contract Customer Share	Net
	Col. A	Col. B	Col. C	Col. D	Col. E
2003	12.995	-	12.995	(2.859)	10.136
2004	13.000	-	13.000	(2.860)	10.140
2005	12.500	-	12.500	(2.750)	9.750
2006	11.500	-	11.500	(2.530)	8.970
2007	6.000	-	6.000	(1.320)	4.680
2008	1.000	-	1.000	(0.220)	0.780
2009	1.000	-	1.000	(0.220)	0.780
2010	1.000	-	1.000	(0.220)	0.780
2011	1.000	-	1.000	(0.220)	0.780
2012	0.500	-	0.500	(0.110)	0.390

Notes: Col. A Actual property tax payment for 2003, future years per tax agreement with Town of Plymouth Approved in D.T.E. 98-53  
Col. B = Actual Payments received from Entergy, if any  
Col. C = Col. A - Col. B  
Col. D = 22% of Col. C  
Col. E = Col. C + Col. D

**Boston Edison Company  
Claims and Recoveries  
\$ in Millions**

		<u>2003</u>	<u>2004</u>
<u>Line</u>	<u>NEIL Insurance Credit Refund:</u>		
1	Entergy NEIL Credit for Pilgrim	\$ (2.271)	\$ (2.000)
2	Percentage paid to BECo per Pilgrim P & S	<u>85%</u>	<u>85%</u>
3	BECo Share of Pilgrim NEIL Credit to be received by 12/31	\$ (1.930)	\$ (1.700)
4	Less 22 % Contract Customer Share	<u>0.425</u>	<u>0.374</u>
5	Net NEIL Refund Applicable to Retail Sales	\$ (1.506)	\$ (1.326)
6	<u>Maxey Flats LLC Expenses:</u>		
7	2003 Maxey Flats Payment	0.037	
8	2004 Maxey Flats Payment		
9	Less: Payment received from American Ecology	<u>-</u>	<u>-</u>
10	Net Maxey Flats Payments	\$ 0.037	\$ -
11	Less 22 % Contract Purchaser Share	<u>(0.008)</u>	<u>-</u>
12	Net Maxey Flats Expense Applicable to Retail Sales	\$ 0.029	\$ -
13	<b>Total Pilgrim Adjustments</b>	<b><u>\$ (1.476)</u></b>	<b><u>\$ (1.326)</u></b>

**Boston Edison Company  
Property Sales  
\$ in Millions**

<u>Description</u>	<u>Sale Date</u>	<u>Book Value</u>	<u>Sale Proceeds</u>	<u>Transaction Costs</u>	<u>Gain/ (Loss)</u>
Harvard Court, Brookline - adjacent to BECo Station # 506	March 31, 2003		\$ 0.075	\$ 0.000	\$ 0.075
ROW #16, Parcel #6, off Auburn Street (Rte. 14), Whitman	June 30, 2003		0.125	0.001	0.124
Retired Station #477 property, off Chestnut Hill Avenue, Brighton	December 10, 2003	0.055	0.495	0.021	0.419
Mystic Station Easement			0.373		0.373
<b>Total Estimated Gain on Properties Sold - 2003</b>					<b>\$ 0.991</b>

LaGrange Street, Newton	\$ -	\$ 15.100	\$ 0.848	\$ 14.252
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<b>Total Estimated Gain on Properties Sold - 2004</b>				<b>\$ 14.252</b>
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**Boston Edison Company**  
**Wholesale Revenue Credit**  
**\$ in Millions**

Line	Description	2003	2004	2005	2006	2007
1	Total Wholesale Revenue	\$ 19.565	\$ 15.363	\$ 7.872	\$ -	\$ -
2	Less: Wholesale Supply Cost	15.859	12.475	5.836	-	-
3	Demand Credit in Retail Distribution Rates	<u>35.400</u>	<u>35.400</u>	<u>35.400</u>	<u>35.400</u>	<u>35.400</u>
4	Net Wholesale Revenue Transition Cost	<u>\$ 31.694</u>	<u>\$ 32.512</u>	<u>\$ 33.364</u>	<u>\$ 35.400</u>	<u>\$ 35.400</u>

Notes: Line 1 2003 per book revenues; 2004 thru 2007 per Company estimate  
Line 2 2003 per D.T.E. 03-117 BEC-JFL-4 (Supp) p.1 line 11; 2004 per BEC-JFL-6 (Supp) p.1 line 11; 05 thru 07 est  
Line 3 is \$35.4 million annually.  
Line 4 = (Line 2 + Line 3) - Line 1

**Boston Edison Company  
Securitization True-Up  
\$ in Millions**

Year	Ending	RRB Principal Payments	RRB Interest Payments	Less: Interest Earned	Admin Fees	Less:	Securitization Collections net of Charge-offs	Gross-Up of	100% Recoverable Securitization Collections	Fixed Component Collections	Securitization True-Up
	Securitization Account Balance					Beginning Securitization Account Balance		Securitization Collections Charge-offs @ 0.46%			
	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K
2003	\$ 34.426	\$ 68.014	\$ 33.995	\$ (0.068)	\$ 0.912	\$ (37.235)	\$ 100.044	\$ 0.462	\$ 100.506	\$ 100.707	\$ (0.201)
2004		\$ 68.740	\$ 29.562		\$ 0.912	\$ (34.426)				\$ 96.719	\$ 1.000

Col. A per December 2003 Bank of New York monthly statement

Col. B Total of actual RRB principal payments made on March 15 and September 15

Col. C Total of actual RRB interest payments made on March 15 and September 15

Col. D 2003 actual interest earned

Col. E Annual Ongoing Transaction Costs per Issuance Advice Letter dated July 28, 1999, Attachment 2

Col. F - Prior Year actual ending balance

Col. G Sum of Cols. A through F

Col. H (Col. G / (1 - .0046)) - Col. G

2003 Charge-off rate of 0.46% per page 2 part (s) of the Company's fourth annual Routine True-Up Letter dated March 17, 2003

Col. I Col. G + Col. H

Col. J Exhibit BEC-JFL-1 (Supp) Page 3

Col. K 2003, Col. I - Col. J; 2004 is an estimate

Boston Edison Company

Department of Energy (DOE)/Spent Nuclear Fuel (SNF) Litigation Expense  
\$ in Millions

Invoice Date	Vendor	Invoice Amount
1 19-Oct-98	Bruder, Gentile & Marcoux, LLP	\$ 0.001
2 16-Nov-98	Bruder, Gentile & Marcoux, LLP	\$ 0.001
3 18-Dec-98	Bruder, Gentile & Marcoux, LLP	\$ 0.000
4 1-Feb-99	Bruder, Gentile & Marcoux, LLP	\$ 0.005
5 25-Feb-99	Bruder, Gentile & Marcoux, LLP	\$ 0.027
6 30-Mar-99	Bruder, Gentile & Marcoux, LLP	\$ 0.001
7 17-May-99	Bruder, Gentile & Marcoux, LLP	\$ 0.011
8 9-Jun-99	Bruder, Gentile & Marcoux, LLP	\$ 0.000
	Bruder, Gentile & Marcoux, LLP	\$ 0.047
9 15-Oct-03	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.065
10 28-Nov-03	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.046
11 22-Dec-03	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.059
12 27-Jan-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.060
	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.230
13 17-Nov-01	Ropes & Gray	\$ 0.002
14 17-Dec-01	Ropes & Gray	\$ 0.011
15 11-Jan-02	Ropes & Gray	\$ 0.006
	Ropes & Gray	\$ 0.018
16 31-Mar-98	Shaw Pittman, LLP	\$ 0.004
17 31-Aug-98	Shaw Pittman, LLP	\$ 0.002
18 17-Feb-99	Shaw Pittman, LLP	\$ 0.005
19 16-Aug-99	Shaw Pittman, LLP	\$ 0.010
20 15-Oct-99	Shaw Pittman, LLP	\$ 0.002
21 10-Oct-00	Shaw Pittman, LLP	\$ 0.001
22 27-Nov-00	Shaw Pittman, LLP	\$ 0.002
23 15-Feb-01	Shaw Pittman, LLP	\$ 0.001
24 12-Jul-01	Shaw Pittman, LLP	\$ 0.001
25 10-Aug-01	Shaw Pittman, LLP	\$ 0.001
26 13-Sep-01	Shaw Pittman, LLP	\$ 0.000
27 15-Oct-01	Shaw Pittman, LLP	\$ 0.002
28 12-Nov-01	Shaw Pittman, LLP	\$ 0.012
29 20-Dec-01	Shaw Pittman, LLP	\$ 0.001
30 11-Jan-02	Shaw Pittman, LLP	\$ 0.011
31 13-Feb-02	Shaw Pittman, LLP	\$ 0.010
32 12-Mar-02	Shaw Pittman, LLP	\$ 0.001
33 22-May-02	Shaw Pittman, LLP	\$ 0.001
34 7-Jun-02	Shaw Pittman, LLP	\$ 0.000
35 11-Jul-02	Shaw Pittman, LLP	\$ 0.005
36 8-Aug-02	Shaw Pittman, LLP	\$ 0.003
37 17-Sep-02	Shaw Pittman, LLP	\$ 0.000
38 8-Oct-02	Shaw Pittman, LLP	\$ 0.003
39 7-Nov-02	Shaw Pittman, LLP	\$ 0.000
40 10-Dec-02	Shaw Pittman, LLP	\$ 0.005
41 15-Jan-03	Shaw Pittman, LLP	\$ 0.002
42 10-Feb-03	Shaw Pittman, LLP	\$ 0.005
43 11-Mar-03	Shaw Pittman, LLP	\$ 0.005
44 8-Apr-03	Shaw Pittman, LLP	\$ 0.010
45 9-May-03	Shaw Pittman, LLP	\$ 0.001
46 10-Jun-03	Shaw Pittman, LLP	\$ 0.003
47 11-Jul-03	Shaw Pittman, LLP	\$ 0.000
48 11-Sep-03	Shaw Pittman, LLP	\$ 0.001
49 13-Jan-04	Shaw Pittman, LLP	\$ 0.000
	Shaw Pittman, LLP	\$ 0.110
DOE/SNF Litigation Expenses Incurred to Date		\$ 0.406
Less: 22% Pigrim Contract Customer Share*		\$ (0.089)
DOE/SNF Litigation Expenses applicable to Retail		\$ 0.317

\$45,000 of the Pigrim Contract Customer Share is being deferred and is subject to collection as a transition cost in the event Boston Edison does not receive compensation from the Department of Energy.